Office of Massachusetts Attorney General Maura Healey



Abandoned Housing Initiative Strategic Demolition Fund (SDF) Request for Proposal (RFP)

Release Date: June 25, 2018 Response Due Date: July 27, 2018 Project Start Date: October 1, 2018 Project End Date: September 30, 2020 Grantor: Office of Massachusetts Attorney General Maura Healey Address: One Ashburton Place, Boston, MA 02108

Email: AbandonedHousing@state.ma.us

Utilizing funds recovered by the Office of Massachusetts Attorney General (AGO) through a nationwide state-federal settlement over unlawful foreclosures, Attorney General Maura Healey is pleased to re-launch the **Strategic Demolition Fund (SDF)**. In keeping with the mission of the Abandoned Housing Initiative (AHI) to ensure safer neighborhoods through blight reduction and the creation of safe, habitable homes, grant awards made under SDF will provide assistance to communities that suffer from the negative health and economic impacts of severely blighted residential properties.

Program Goals & Priorities

Abandoned properties that exist in an extreme state of disrepair create community safety hazards, drag down surrounding property values, and often produce large municipal tax delinquencies. In many cases, this type of property blight cannot be remedied through traditional avenues of rehabilitation due to the economic infeasibility of necessary repairs. When demolition becomes the only viable option for remediation, project cost can often prove prohibitive. The goal of SDF is to allow eligible organizations to leverage additional project funds for residential demolition projects while incentivizing post-demolition revitalization. While the remediation of dangers posed by severely blighted properties is a key component to SDF, the return of the resulting lot to an appropriate use is a cornerstone of the fund's intent to revitalize neighborhoods.

Applications are requested from organizations with the capacity to act as a Fund Administrator that could successfully coordinate and oversee a statewide program that administers up to \$250,000 in demolition grant funds to eligible projects.

SDF is structured to allow the Fund Administrator to provide direct grant assistance to organizations seeking to demolish severely deteriorated residential properties. Requests for demolition funding assistance to the Fund Administrator will demonstrate an immediate community need for demolition, an absence of any other viable blight remediation measures, and plans for post-demolition site redevelopment.

Roles and responsibilities of the Fund Administrator

The Fund Administrator may make demolition grant awards to projects that meet the following criteria:

- Represent an immediate community need;
- Have exhausted other rehabilitation strategies or can submit proof of financial infeasibility of repairs;
- Provide realistic plans for post-demolition site redevelopment which can be completed in a timely manner;
- Garner an appropriate level of municipal support;

- Obtain necessary municipal permitting and meet all additional obligations under Massachusetts; and
- Reflect consideration of geographic diversity across awarded projects.

Project awards made by Fund Administrators may not exceed \$50,000 and may not constitute more than 50% of the project budget unless expressly authorized by the AGO.

Projects may be submitted for consideration to Fund Administrators by the following entities:

- Massachusetts Community Development Corporations (CDC);
- Massachusetts Community Development Financial Institutions (CDFI);
- Municipal Governments;
- Municipal Housing and Redevelopment Authorities;
- Nonprofit organizations.

The Fund Administrator is responsible for developing a scoring system for demolition grant applications as well as formal grant award Terms and Conditions document for applicants. The scoring system and grant award Terms and Conditions must adhere to the guidelines set forth by the AGO in the SDF RFP and must be structured as inclusive to all eligible potential applicants. The Fund Administrator must submit its scoring system along with its Terms and Conditions for approval by the AGO before advertising the availability of grant funds and considering applications. After AGO approval, the Fund Administrator's Terms and Conditions document will be made available to prospective applicants by both the Fund Administrator and the AGO.

All demolition grant awards under consideration by the Fund Administrator require final AGO approval before they can be formally awarded and disbursed to a project. When an internal award decision has been made by the Fund Administrator, all application documentation, along with the Fund Administrator's scoring guide and written rationale for award decision, must be submitted to the AGO two weeks before the Fund Administrator's preferred date of award announcement. Internal award decisions made by the Fund Administrator can be nullified for any reason by the AGO.

The Fund Administrator will be obligated to maintain tight financial controls over, and account for the expenditure of, grant funds, including:

- Compiling all data relative to funded programming;
- Ongoing communications and quality control;
- Provision of quarterly program/fiscal reports to the AGO on a timely basis;
- Completion of end-of-grant program, fiscal, and utilization reports;
- Assurance that projects funded under this program are a part of a municipally-supported and AGO approved strategic neighborhood redevelopment plan.

Eligibility

The following are eligible recipients to serve as the Fund Administrator:

- Massachusetts Community Development Corporations (CDC);
- Massachusetts Community Development Financial Institutions (CDFI);
- Municipal Governments;
- Municipal Housing and Redevelopment Authorities; and
- Quasi-public agencies with the capacity to manage funds, significant community development experience, and a commitment to stabilizing properties and neighborhoods in their identified region.

Applicants must have met all filing requirements with the Internal Revenue Service and the <u>Attorney General's Non-Profit Organizations/ Public Charities Division</u>, if applicable.

Funding

This RFP is subject to and contingent upon the availability of funds. It is expected that up to \$250,000 will be available for one Fund Administrator.

The Fund Administrator may use no more than 7.5% of the total award towards administrative costs. Administrative costs can be claimed quarterly as 7.5% of the funds encumbered for new awards that have not been previously claimed. Funds may only be used for the demolition of residential dwellings or mixed-use properties, as determined at the discretion of the AGO, to meet the overall purposes of the AHI or a municipally-supported strategic neighborhood redevelopment plan.

Duration

Grants will be awarded for two years from the date of the Fund Administrator award or the end date of the final project awarded SDF funds from the Fund Administrator – whichever comes first. Any funds remaining at the end of the grant term must be promptly returned to the AGO.

The Fund Administrator is responsible for prompt return of any remaining funds to the AGO and must notify the AGO of the amount being returned, payment type (electronic funds transfer or check), and payment date on the last day of the grant term.

RFP Submission Instructions

- Proposals must be delivered electronically through the AGO's online grant application process by 5:00 p.m. on Friday, July 27, 2018.
- Interested applicants may access the application here: https://www.mass.gov/grant-opportunities.
- Applications received after the deadline will not be reviewed.
- Applications will not be accepted in any other format.
- New applicants will be asked to create a free online account. Any applicant that has applied for any grant using the online grant management system may log into its existing account.
- Once applicants have started an application, the application may be saved and returned to later.

• Confirmation of Receipt: Applicants typically receive an email confirmation within 48 business hours; if one is not received please call 617-963-2291 for further instructions and assistance.

Evaluation

Any application that does not meet the submission requirements may be considered non-responsive and may be disqualified without further evaluation. All funding decisions and amounts of funding will be made at the sole discretion of the AGO. Applicants may receive no funding or less funding than requested. Some of the criteria utilized in the selection process include:

- Applicant's ability to provide documented data-driven evidence of need;
- Applicant's experience in neighborhood revitalization and community development in Massachusetts;
- Applicant's working knowledge of residential property demolition; and
- Ability of applicant to effectively evaluate applications for demolition projects statewide.

Questions

Programmatic questions regarding this RFP may be submitted to AbandonedHousing@state.ma.us, only until 5:00 p.m. on July 13, 2018. All other questions may be submitted to agogrants@state.ma.us. When submitting your question(s), please include "Strategic Demolition Program 2019" in the email subject line. Questions received and answers provided regarding this RFP will be posted on the AGO's website here: https://www.mass.gov/grant-opportunities.

Reasonable Accommodation

Applicants that seek reasonable accommodation, which may include the receipt of the RFP information in an alternative format, must communicate such requests in writing to agogrants@state.ma.us, no later than 5:00 p.m. on July 6, 2018.

Required Commonwealth contract documents for successful grantees

These documents are listed for informational purposes and should not be submitted with the grant application. The successful applicant will be required to complete these documents within the deadline established at the time of the notification of grant award. No money will be disbursed unless the necessary documents are submitted by the deadlines established.

- Standard Contract Form
- Scope of Services Agreement
- Commonwealth Terms and Conditions
- Contractor Authorized Signatory Listing
- Request for Taxpayer Identification Number and Certification (W-9)
- Electronic Funds Transfer Form. No funds will be distributed except through EFT.

The AGO expects to award funds by October 1, 2018 to the successful applicant who has completed and returned all required grant contract documents with original ink signature.

Public Records

All responses and information submitted in response to this RFP are subject to the Massachusetts Public Records Law, M.G.L. c. 66, § 10, and M.G.L. c. 4, § 7, cl. 26. All responses and information submitted in response to this RFP are subject to the Massachusetts Public Records Law, M.G.L. c. 66, § 10, and c. 4, § 7, cl. 26. Applicants should not include any protected personal information.

Updates to this RFP

Any changes/corrections to any part to this RFP will be posted on https://www.mass.gov/grant-opportunities. It is the applicant's responsibility to check this web page frequently for any updates.